ASX Announcement

Flex Capacity Ramps Up to 1M Vehicles

- Expansion of Connexion's Flex IT infrastructure and support, to increase its capacity from 25,000 vehicles to up to one million vehicles
- Capacity expansion follows extremely positive customer demand for its Flex technology, with major contracts in advanced discussions and a strong sales pipeline
- Increase in capacity allows revenue growth momentum to continue and elevates Connexion to the top tier of auto monitoring and analytics service providers
- Capacity increase funded from existing funds raised in August 2015

14 September 2015, Melbourne: **Connexion Media Limited** (ASX:CXZ) ('Connexion') is pleased to advise that in response to very encouraging customer uptake and strong pipeline momentum for its Flex product, the Company is expanding its Flex IT infrastructure and support, to increase its capacity from 25,000 vehicles to up to one million vehicles.

Flex, a highly sophisticated smart car solution, was commercially launched in March 2015 in Australia. To facilitate very encouraging customer uptake and demand for its technology, Connexion has commenced an upgrade programme to significantly expand its IT infrastructure and support to host up to one million Flex vehicles. Connexion will fund the capacity increase with the funds raised under its August 2015 convertible note offer and expects to complete the expansion by the end of 2015.

The expansion will focus on increasing the bandwidth capacity of the Flex IT infrastructure to accommodate a large increase in the amount of data transferred to facilitate an influx of new vehicles. This infrastructure significantly increases the complexity of the system, which will be able to handle over a petabyte of data and display it to the customer in real-time. The Company will also be investing in upgrades to its call center and other supporting functions to continue to deliver a high level of customer service.

Flex is a highly sophisticated smart car solution that allows customers to manage an entire fleet of vehicles from a mobile phone or computer and deliver cost efficiencies through reduced maintenance costs. It can track vehicle location, speed, fuel consumption, engine performance, driver behaviour and other key performance metrics in real-time. Flex is offered to customers on a monthly subscription basis, typically ranging between 12 to 36 month contracts.

"Flex has far exceeded our expectations to-date. As a result of the continued strong interest and sales pipeline, we needed to immediately upgrade our services to handle the anticipated volume of connected vehicles using the service." said George Parthimos, CEO of Connexion Media.

"This important upgrade elevates Connexion to the top tier of auto software providers with the capability to handle such high volumes of data in real time. In addition to supporting the strong customer pipeline and revenue growth, this increase in capacity and higher level of service allows the Company to deliver its Flex product to much larger fleet customers for the first time."

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About Connexion Media

Connexion Media specialises in developing and commercialising smart car software apps and services for internet-connected vehicles and mobile devices. It is based in Melbourne, Australia, with a sales office in Cambridge, UK.

Connexion has two core products in commercialisation, Flex and MiRoamer. Flex is a highly sophisticated smart car solution that allows car fleet managers to manage an entire fleet of vehicles from a mobile phone or computer and deliver cost efficiencies through reduced maintenance costs. Flex is able to track a range of real time and historical data including vehicle locations, distance travelled, fuel consumption, battery life, engine performance and absolute and average speeds travelled. It is also able to monitor driver behaviour and instantly send notifications and alarms to vehicle owners and fleet mangers.

miRoamer is a next generation internet radio product that allows users to pick up radio stations from broad geographies, including international stations. miRoamer has become the world leader in internet radio technology, delivering a superior understanding of the technical, content and marketing demands of radio manufacturers and car makers alike.